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**Via email at**

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The Honorable Shelly C. Chapman  
United States Bankruptcy Judge  
United States Bankruptcy Court  
Alexander Hamilton Custom House  
One Bowling Green  
New York, New York 10004

RE: 2626 BWAY, LLC Docket No.: 10-14731 (SCC)

Dear Judge Chapman:

We represent 2626 BWAY LLC (the "Debtor") in the above-referenced case. In anticipation of the hearing, we write to briefly outline what the Debtor's intentions are with respect thereto.

The Debtor is not intending to put on a direct case, but rather will offer the testimony of its principal, John Souto, as a rebuttal witness, relating to the matters before the Court tomorrow on the landlord's request for relief from the automatic stay, or for alternatively, dismissal, as set forth in the November 8, 2010 letter of Andrea Lawrence, Esq. To the extent necessary and to the extent available, the Debtor will introduce documents relating to the creditors' claims against it. The Debtor cannot necessarily comment on the landlord's documents, having only received them the morning of November 8, 2010. However, the Debtor believes that the documents provided to it by landlord's counsel pursuant to the subpoenas it had issued and which the landlord intends to submit, will more than set forth that there exists numerous valid claims against the Debtor<sup>1</sup>.

Mr. Souto, on behalf of the Debtor, is prepared to testify that in his belief as at the Petition Date, there was a reasonable likelihood that the Debtor intended to reorganize, and that it could emerge from the bankruptcy proceeding. He would further testify that the

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<sup>1</sup> The Debtor's pre-petition accountant and the accountant for the Souto-related entities, was just released from the hospital late last week, and has not been able to completely review his files. Additionally, the Debtor does not intend to introduce at the hearing any documents relating to the insurance coverage.

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bankruptcy case was filed based upon a reasonable degree of financial distress, and that it was not used solely as a litigation tactic. Mr. Souto would further testify that pursuant to the Water Department's and Fire Department's recent inspection, that there are no hazardous conditions at the building.

Should you have any questions, please do not hesitate to contact the undersigned.

Respectfully,

  
Robert M. Sasloff

RMS:tef